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# Leave and Retirement Refunds

All employees are entitled to refunds of their contributions.

- If you are separated, you will receive a lump sum payment for your unused **annual leave**.
- You will not receive compensation for any **sick leave**. If you are reemployed within the federal government within three years, your sick leave will be recredited.
- You have the option of withdrawing your **retirement fund** contributions or leaving them in the system for future use.

## ELIGIBILITY REQUIREMENTS

Your participation in these programs will determine the status of your accounts.

## REGISTRATION

Contact your human resources office.

## DISCUSSION

- **Annual leave** payment is equal to the compensation you would have received if you had remained in service until that annual leave period had expired. Payment will include any premium pay that you would have received minus any tax withholding. Retirement and allotment deductions will not be taken.



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- If you retire under CSRS, your annuity will be computed by having your accrued sick leave added to your actual service time.

- If you are covered under **CSRS**, are not eligible for an immediate annuity, and are separated by a RIF, you may—

- Leave your contributions in the retirement system for a deferred retirement annuity or

- Withdraw your contribution in a lump sum. If you are reemployed in federal service, you **must** redeposit the lump sum to receive credit for that period of service.

- If you are covered under **FERS**, are not eligible for an immediate annuity, and are separated by a RIF, you may—

- Leave your contributions in the retirement system for a deferred retirement annuity or

- Withdraw your contribution in a lump sum. However, once you withdraw the money, you **cannot** redeposit it or receive retirement benefits for that period of service if you are later reemployed by the federal government.

*Note: The human resources office can help you compare the value of a deferred annuity with the value of a lump sum.*

- Money in the **Thrift Savings Plan** that you contributed and money earned as matching funds, interest, or investment belong to you. You can remove the money from the account when you are separated according to plan rules and tax laws. However, the 1 percent government contribution to thrift savings and its earnings do not become yours until after three years of service.

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## QUESTIONS AND ANSWERS

*What happens to my retirement contributions if I defer them and then die before I begin to receive an annuity?*

If you die before your deferred annuity is activated, the lump sum credit is payable as a death benefit to your survivors. Incidentally, leaving retirement contributions in the fund does not prevent you from a refund later. However, you must apply to the Office of Personnel Management at least 31 days before the date you would become eligible for the annuity.

*I have only worked for the government for two years and do not anticipate returning to federal service. Should I withdraw my retirement fund contributions?*

Yes. There is no advantage in leaving retirement funds if you have fewer than five years of civilian service and do not plan to return to the federal service.

